

## Homeland Security Grants Division – Q&A Document

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### Records Retention

**\* New - Question:** How many years are sub-recipients required to maintain records related to the HSGP when a grant performance period has ended?

**Answer:** Sub-recipients must maintain fiscal records and supporting documentation related to a federal grant pursuant to 2 CFR 200.333, UGMS, and state law. During the 84<sup>th</sup> Legislative Session, Senate Bill 20 was passed requiring a seven year retention period for grant and contract related documents. This seven year requirement applies to any grants awarded by OOG on or after 9/1/15. For grants awarded prior to 9/1/15, the three year requirement noted in 2 CFR 200.333 and UGMS will apply. The seven year or three year clock will start on the date that a final expenditure report is submitted in eGrants or the date that all issues arising from any litigation, claim, negotiation, audit, or other action involving the grant or documents is resolved.

**Question:** What grant years have closed and what dates should we use for determining maintenance of records?

**Answer:** The date for determining when records may be destroyed is driven off of the date that you (the subrecipient) submitted your final expenditure report to the SAA (the state) or the date that all issues arising from any litigation, claim negotiation, audit, or other action involving the grant or documents is resolved.

### eGrants Accessibility

**Question:** It appears that only one person from a COG will have access to the Grant Writer and the Project Manager positions. That's a potential problem if that one person is out of the office and something needs to be handled on eGrants. State law may not permit the sharing of login credentials. Is there a possible solution to this issue; possibly a way to grant temporary access for circumstances like this?

**Answer:** eGrants will only allow for three designated grant officials (authorized official, financial officer, and project director) and one grant writer. There is no mechanism in place to add additional grant officials. If one of the grant officials will be out of the office for an extended period, you may submit a grant adjustment request through eGrants to change one or more of the grant officials at any time which would allow access to a different

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individual. Once the primary grant official returns you could submit a second grant adjustment to reinstate that individual as a grant official.

### Application Entry Clarification

**\* New - Question:** The Narrative and Activities Tabs in eGrants looks different. What has changed?

**Answer:** During the previous grant cycle OOG encountered many questions related to the questions on these tabs being duplicative of questions elsewhere in the application kit or more geared towards Criminal Justice applications. As a result, OOG undertook the task of re-working the both tabs to ask directed Homeland Security-specific questions only. These questions are now tailored towards gaining information about capability levels, impacts, and priorities.

**\* New - Question:** What do I do on the Measures Tab in eGrants.

**Answer:** Beginning with FY 2016 Homeland Security Grants, applicants will be required to input target data for a specific set of Program Measures. You may also create customized measures in addition to the required measures. These measures will be captured by Texas A&M's Public Policy Research Institute (PPRI) once your award is release and loaded into their online performance reporting system. At six-month intervals you will be required to provide an update to PPRI on progress towards meeting those target numbers.

**Question:** Should the entries for Sources of Financial Support on the Documents tab reflect the total budget of the organization, the budget of the department requesting the funding, or the budget related to this project?

**Answer:** You should enter the total amount of Federal Grant Funds received by the organization in the most recently completed fiscal year. You should also enter the total amount of State Grant Funds received by the organization in the most recently completed fiscal year.

**Question:** Does the FFATA certification apply to political subdivisions? If not, how should these questions be answered?

**Answer:** The FFATA certification applies to all subrecipients, including political subdivisions.

### Transferring or Loaning Equipment

**\* New - Question:** What entities may I transfer or loan equipment to?

**Answer:** HSGD understands that at times sub-recipients may request to conduct grant activities that substantially benefit another entity. Examples include: purchasing items to subsequently loan or transfer ownership to an outside entity or conducting training and/or exercises with local/regional partners. In these instances, the sub-recipient is responsible for ensuring those entities meet at a minimum the following requirements:

- National Incident Management System (NIMS) – the benefitting entity, to the extent required, must have adopted and implemented NIMS and be compliant with all NIMS objectives.
- Emergency Management Plans (Intermediate Level) – the benefitting entity must:
  - Have its own current emergency management plan that meets the state preparedness standards at the Intermediate Level on file with the Texas Division of Emergency Management (TDEM); or
  - Be a legally established member of an inter-jurisdictional emergency management program that has a plan that meets the state preparedness standards at the Intermediate Level on file with TDEM; or
  - Be an entity other than a city or county that is not required by Texas law to have an emergency management plan (e.g. COG or nonprofit organization).

In addition, if a sub-recipient purchases deployable equipment with a cost of \$5,000 or more under a grant from HSGD and in turn loans or transfers ownership to another entity, it is still the subrecipient's responsibility to ensure the purchased item is recorded in the state's deployable equipment inventory system, currently the Texas Regional Response Network (TRRN).

Grantees may document a benefitting entity(ies) compliance using a self-certification form or any other means deemed appropriate by the grantee. The grantee should keep this documentation on file and make available to HSGD upon request.

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## Eligible Budget Items

**\* New - Question:** The RFA states that promotional items are not eligible, but in the past we have purchased small give-away items that include contact and other program advertisement information. Are these types of give-away items considered promotional items?

**Answer:** Below is an excerpt from the new federal Uniform Grant Guidance, 2 CFR 200 discussing promotional items. Based on this, most give-away items would not be eligible. Section (e) (3) below prohibits promotional items and memorabilia, including models, gifts, and souvenirs. Based on this excerpt the only allowable advertising and public relation cost are:

- Personnel recruitment
- Procurement costs
- Program outreach costs (this would be things like signs, bill boards, flyers etc. but does not include give-away items such as trinkets, gifts, souvenirs etc.)
- Cost of communicating with the public or press on specific grant-related activities or accomplishments
- Liaison with news media and government public relations to keep the public informed on funding opportunities

### **EXCERPT FROM 2 CFR 200**

#### **§200.421 Advertising and public relations.**

(a) The term advertising costs means the costs of advertising media and corollary administrative costs. Advertising media include magazines, newspapers, radio and television, direct mail, exhibits, electronic or computer transmittals, and the like.

(b) The only allowable advertising costs are those which are solely for:

(1) The recruitment of personnel required by the non-Federal entity for performance of a Federal award (See also §200.463 Recruiting costs);

(2) The procurement of goods and services for the performance of a Federal award;

(3) The disposal of scrap or surplus materials acquired in the performance of a Federal award except when non-Federal entities are reimbursed for disposal costs at a predetermined amount; or

(4) Program outreach and other specific purposes necessary to meet the requirements of the Federal award.

(c) The term “public relations” includes community relations and means those activities dedicated to maintaining the image of the non-Federal entity or maintaining or promoting understanding and favorable relations with the community or public at large or any segment of the public.

(d) The only allowable public relations costs are:

(1) Costs specifically required by the Federal award;

(2) Costs of communicating with the public and press pertaining to specific activities or accomplishments which result from performance of the Federal award (these costs are considered necessary as part of the outreach effort for the Federal award); or

(3) Costs of conducting general liaison with news media and government public relations officers, to the extent that such activities are limited to communication and liaison necessary to keep the public informed on matters of public concern, such as notices of funding opportunities, financial matters, etc.

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(e) Unallowable advertising and public relations costs include the following:

(1) All advertising and public relations costs other than as specified in paragraphs (b) and (d) of this section;

(2) Costs of meetings, conventions, convocations, or other events related to other activities of the entity (see also §200.432 Conferences), including:

(i) Costs of displays, demonstrations, and exhibits;

(ii) Costs of meeting rooms, hospitality suites, and other special facilities used in conjunction with shows and other special events; and

(iii) Salaries and wages of employees engaged in setting up and displaying exhibits, making demonstrations, and providing briefings;

(3) Costs of promotional items and memorabilia, including models, gifts, and souvenirs;

(4) Costs of advertising and public relations designed solely to promote the non-Federal entity.

**\* New - Question:** The FY 2016 RFA prohibits individual membership costs but does allow for agency-wide memberships. In the absence of the availability of an agency-wide membership, would an individual membership be considered?

**Answer:** 2 CFR 200.454 allows for the costs associated with an entity's membership in business, technical, and professional organizations. However, Section 200.445 states "Costs of...services for personal use of...employees are unallowable..."

It is the OOG policy to limit grant funds only for Agency or Entity memberships. Sub-recipients may still fund individual memberships with their own local funds if Agency/Entity memberships are not offered or if the sub-recipient determines individual memberships would benefit the organization as a whole.

## Program Income

**\* New - Question:** In one of our COG Regions we fund several projects to build, upgrade, enhance, or replace the regional communications system. The amount of SHSP grant funds the COG receives does not cover all of the necessary upgrade, replacement or enhancement costs and some state agencies and other entities that use the system have offered to help contribute to these costs so more of the necessary upgrades can be made in the coming year(s).

If another entity (such as a state agency that also uses the system) pays the COG a certain amount to cover specific expenses, would that be considered Program Income?

**Answer:** After consulting with FEMA, this scenario does not constitute program income, it is instead supplemental program funds, similar to cash match but not required to be tracked as part of the grant.

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**\* New - Question:** If my project earns program income may I request to show the program income “in addition” to my grant funds instead of deducting the amount earned from my grant funds?

**Answer:** Any income generated as a direct result of the grant activities must be reported to HSGD through the Financial Status Report and grant adjustment processes. Program income must be used to offset project costs unless prior approval is granted allowing a supplement to project costs.

2 CFR 200.307 states that only the Federal awarding agency may authorize adding the program income funds to your grant. As a result, in the event that HSGD agrees that supplementing project costs would be preferable, we would then be required to seek approval from FEMA prior to granting approval to the sub-recipient.

## EHP Reviews<sup>i</sup>

**\* New - Question:** If a piece of equipment is added to a tower that was federally grant funded in a previous year, but the new equipment and installation of the new equipment will not be federally funded, then does the installation of the new equipment need an EHP screening/review?

**Answer:** There is no FEMA requirement that requires activities that are not federally-funded to be reviewed for EHP implications.

However, HSGD does have a previous response from FEMA indicating projects should not split into individual components to limit what is included in EHP screening/review. When a new project is undertaken, and initial plans include multiple components, the sub-recipient should submit the entire project for review, not just the specific federal component. Below is language from FEMA on this topic:

*“Connected actions” is a complex concept, in the simplest terms it means that the environmental impacts of entire project must be considered, even if only one part is being funded by FEMA. In this case if FEMA is funding the radio and the antenna that will be installed on a new site, then construction of the site, the fences, the communications shelter that will hold the radio, and the tower or mast that will support the antenna, are all connected actions.”*

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<sup>i</sup> More EHP FAQs can be found on the eGrants Updates page at <https://egrants.gov.texas.gov/updates.aspx>